

Message Text

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72

ACTION ARA-10

INFO OCT-01 ISO-00 L-02 SP-02 AID-05 EB-07 NSC-05 CIEP-01

TRSE-00 SS-15 STR-04 OMB-01 CEA-01 COME-00 FEA-01

CIAE-00 INR-07 NSAE-00 PA-01 USIA-06 PRS-01 /070 W

----- 084527

R 092155Z MAY 75

FM AMEMBASSY QUITO

TO SECSTATE WASHDC 5499

INFO AMCONSUL GUAYAQUIL

C O N F I D E N T I A L QUITO 3233

E.O. 11652: GDS

TAGS: PFOR, EINV, ENRG, EC

SUBJECT: TEXACO-GULF ACTIVITIES

REF: A. STATE 106684 B. QUITO 3179

1. THERE IS STILL NO OFFICIAL REACTION OR REPLY TO THE LETTER FROM GULF CHAIRMAN DORSEY TO PRESIDENT RODRIGUEZ ON ECUADOR'S NON-INVOLVEMENT IN GULF PAYMENTS. GULF VP CHARIN INFORMED EMBASSY THAT HIS PRESS CONFERENCE OF MAY 7 (REF B) WAS HELD UNDER ORDERS FROM THE GOE WHICH HAD TOLD HIM HE MUST MAKE A COMPLETE PUBLIC DECLARATION ON THE SUBJECT. FORTUNATELY, THE LETTER FROM DORSEY TO RODRIGUEZ WAS ALREADY INTRAIN. CHACIN NOW FEELS CONSIDERABLY RELIEVED. HE SAID THAT THE COMPANIES PROBABLY WILL AGAIN USE AMBASSADOR CARDENAS AS THE CHANNEL FOR RESCHEDULING AN APPOINTMENT WITH PRESIDENT RODRIGUEZ.

2. MINISTRY OF NATURAL RESOURCES OFFICIAL TOLD EMBOFF THAT THE CONSORTIUM INDEED DID STOP PRODUCTION ON MAY 5 CITING THE ABSENCE OF SCHEDULED LIFTINGS. THE OFFICIAL WAS VERY WORKED UP ABOUT THIS AND ACCUSED THE COMPANIES OF PREEMTIVELY HIRING TANKERS TO DENY THEM TO THE GOE AND OF TRYING TO BREAK THE OPEC CHAIN AT ITS WEAKEST LINK. ACCORDING TO SAME OFFICIAL, THE FIRST REACTION OF SOME PEOPLE

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AT THE MINISTRY WAS THAT TEXACO-GULF SHOULD BE NATIONALIZED

WITHOUT COMPENSATION FOR VIOLATING THE ECUADOREAN LAW ON PRODUCTION.

3. ACCORDING TO A TEXACO SOURCE, NATURAL RESOURCES SUB-SECRETARY ROBALINO REACTED STRONGLY AND ADVERSELY TO AN EXPLANATION BY TEXACO THAT IT IS NOT ABOUT TO RESUME LIFTINGS WITHOUT PROGRESS ON THE OUTSTANDING ECONOMIC/FINANCIAL ISSUES. HE TOOK THEIR ACTION AS A COERCIVE THREAT TO THE GOE AND WAS EQUALLY THREATENING IN HIS OWN REMARKS.

4. ALTHOUGH NOTHING HAS YET APPEARED IN THE PRESS, THE SITUATION IS OBVIOUSLY AT A CRITICAL POINT.
HEMENWAY

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NNN

Message Attributes

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